

# INDUSTRY CIRCULAR

OFFICE OF THE COMMISSIONER OF INTERNAL REVENUE  
ALCOHOL AND TOBACCO TAX DIVISION



WASHINGTON 25, D. C.

Industry Circular No. 64-21

December 10, 1964

## APPLICATIONS TO USE SUBSTITUTE DENATURANTS

Proprietors of distilled spirits plants,  
users of specially denatured alcohol,  
and others concerned:

This circular is issued to inform you that a Revenue Procedure, which sets forth uniform procedures regarding applications under 26 CFR Part 212 for authorization to use substitute denaturants, or to vary from specifications of prescribed denaturants, will be published in the Internal Revenue Bulletin in the near future.

Under sections 212.39 and 212.48, the Director, Alcohol and Tobacco Tax Division, may authorize the use of substitute denaturants in Formulas Nos. 29 and 38-B, respectively; in the case of Formula No. 29, the alcohol must be used in a process in which it is converted into other chemicals and, in the case of Formula No. 38-B, it must be shown that none of the prescribed denaturants or combinations can be used in the manufacture of the particular product. Also, under section 212.65, the Director may, in order to meet the requirements of national defense or for other valid reasons, authorize variations from specifications of any denaturant, or authorize the use of substitute denaturants, if such variations or substitutions will not jeopardize the revenue.

In order to have uniform procedures regarding applications under sections 212.39, 212.48, and 212.65 the Revenue Procedure will provide that --

Applications under section 212.39 for the use of a material other than acetaldehyde for denaturing under Formula No. 29 should be submitted, in sextuplet, by the user to the Director, together with specifications (including a description of assay methods) for, and duplicate 8-ounce samples of, the proposed substitute material. Each such application shall include the following:

1. The name, address, and permit number of both the specially denatured alcohol user and the denaturer.
2. The identity of the substitute material proposed to be used.
3. The name and address of the manufacturer of the substitute material.
4. The process in which the specially denatured alcohol will be used (identify the approved Form 1479-A covering such process).

On approval of the material for use as a denaturant, the Director's approval will be noted on all copies of the application and copies thereof will be distributed, through each Assistant Regional Commissioner concerned, to the denaturer, the user, and the Chief Chemist of the region in which the user's premises are located.

Applications under section 212.48 for the use of another essential oil or substance in lieu of those listed in connection with Formula 38-B, should be submitted, in duplicate, by the user to the Director, and applications under section 212.65 to vary from specifications of prescribed denaturants or to use substitute denaturants should be submitted, in duplicate, by the denaturer to the Director. Each such application shall identify the applicant by name, address, and permit number; state the number of each formula of specially denatured alcohol involved; explain why the use of the substitute denaturant, or the variation from specifications, as the case may be, is necessary; and include, as applicable, the following:

1. The identity of the approved denaturant for which substitution is desired, and the identity of the substitute denaturant (including the name and address of the manufacturer if the application concerns section 212.65).
2. The identity of the prescribed specifications (e.g., Citronella oil, natural, § 212.76; or Quinine, N.F.) and the proposed variation from such specifications.

In connection with applications under section 212.48 to use an essential oil or other substance in lieu of those prescribed for Formula No. 38-B, duplicate 8-ounce samples of the oil or other substance, together with specifications therefor and a description of assay methods, must also be submitted with the application.

On approval of a substitute material under section 212.48, or of a substitute denaturant or revised specification under section 212.65, the applicant will be notified thereof, and, pending publication of a revenue ruling on the subject in the Internal Revenue Bulletin, an industry circular will be issued to announce the approval to interested industry members generally.

Inquiries regarding this circular should refer to its number and should be addressed to the office of the Assistant Regional Commissioner, Alcohol and Tobacco Tax.



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